Work Plan Guide

The International Accounting Standards Board (the Board) follows a thorough and consultative ‘due process’, which ensures that standard-setting is done in a transparent manner that considers views from stakeholders at all stages of the development of International Financial Reporting Standards (IFRS Standards). To give stakeholders an indication of where the Board’s various projects are in the Standard-setting process and what the likely timing and nature of the next step is in that process, the Board’s work plan uses a combination of colour coding and descriptions.

The Board’s work plan is split into three categories:

• Research projects;
• Standard-setting and related projects; and
• Maintenance projects, including Post-implementation Reviews (PIRs).

Colour coding used in our work plan

The Board and its staff are gathering evidence about whether a financial reporting problem exists and whether the problem is sufficiently important that standard-setting is required. In the first phase of a PIR, the Board consult on matters to be examined using a Request for Information (RFI). The Board may also use RFIs to consult on matters related to other technical projects or broader consultations.

The Board and its staff are analysing possible financial reporting problems. This is done by collecting evidence on the nature and extent of the perceived shortcoming and assessing potential ways to improve financial reporting or to remedy a deficiency. The project is most likely to be a research project. Not all research projects will lead to the issue of a new or revised Standard. Before deciding whether further research is needed to develop possible solutions to an identified problem, or whether sufficient evidence has been gathered to support a decision to remove the project from the work plan or add it to the Board’s standard-setting projects, the Board normally seeks feedback through targeted or general public consultation. Public feedback can be obtained by publishing a Discussion Paper (DP), Research Paper (RP) or other consultation document, as well as through meetings or other outreach activities.

The Board is developing proposals to resolve the financial reporting problem identified through earlier research and assessment work. The Board normally seeks public feedback by publishing an Exposure Draft (ED), which contains proposals for new or revised IFRS requirements.

Following consideration of the feedback received on the proposals in an ED, the Board has decided to further refine the proposals and set new or revised IFRS requirements.

Descriptions

The work plan distinguishes between an activity, which takes place over time, and a milestone, which occurs at a point in time. A milestone is the next expected due process step in the project.

Activities

• **Analysis**—this covers a wide variety of activities. It includes research and investigation, effects analysis, targeted outreach, field testing and developing staff papers, as well as discussions within the Board and with its advisory bodies. For some projects, especially research projects, it may be too early to identify what type of document, if any, will be published. In such cases, the next milestone may be ‘decide project direction’. For other projects, the expected milestone is likely to be to publish a consultation document or issue new or revised IFRS requirements. In such cases, the next activity will be ‘drafting’ the relevant document.

• **Public consultation** —the Board’s due process requires it to carry out extensive public consultation before setting new or revised IFRS requirements. The activity termed ‘public consultation’ covers the period during which the consultation document is out for comment and outreach events or other targeted outreach activities take place. In addition, public consultation covers the period during which the Board staff review the comment letters and other feedback before taking the analysis to the Board in a public meeting. The milestone for the end of the public consultation activity is ‘decide project direction’.

• **Drafting** —the Board’s due process requires that, before issuing new IFRS requirements or publishing a document for public consultation, the Board must review and vote on (ballot) the contents of the document. The document also goes through a series of quality reviews before it is published or issued. The drafting, balloting
and production stages take several weeks. During this activity, there may be some further analysis work because questions may be raised during the drafting and balloting stages. Such questions, if significant, may need to be discussed by the Board in a public meeting as ‘sweep issues’ before the production process is completed. The target milestone for the end of the drafting activity is publishing the consultation document or feedback statement or issuing the new IFRS requirements.

Milestones
A milestone is the next expected due process step in the project. Because of the extensive research, consultation and review processes outlined by the Board’s due process requirements, the timing for the next milestone can be difficult to predict.

- **Decide project direction**—the Board’s approach to Standard-setting is focused on being informed that there is a need for change before the Board starts a Standard-setting project. This approach includes activities that:
  - identify and assess evidence that suggests that there is a shortcoming or other problem with existing IFRS requirements;
  - develop potential solutions to improve financial reporting or remedy a deficiency; and
  - refine proposals for a specific solution.

  After each of these activities, the Board needs to decide whether, and if so how, to progress to the next step in the Standard-setting process. For research projects, this milestone will typically follow the early analysis work. Most commonly, however, this milestone will follow on from a ‘public consultation’.

- **Publish/Issue**—once the Board has decided to publish a document, or issue new or amended IFRS requirements, this will be the next milestone. In some cases, the responses to a consultation document may be clear and express support for the proposals. In such cases, drafting activities can commence without a further period of analysis. More commonly, respondents to a consultation document will raise issues that require further analysis to help refine the proposals before drafting of the next due process document can begin.

Due process documents
The Board uses a variety of tools to consult with its stakeholders, including formal documents that either invite comments from stakeholders or inform stakeholders about the results of its public consultation:

- **Request for information (RFI)**—which assists in gathering factual evidence about financial transactions and existing accounting practice;
- **Request for views (RFV)**—which assists in gathering opinions about planned Board activities, either generally or in relation to a specific project;
- **Discussion Paper (DP) or Research Paper (RP)**—which assist in gathering information and opinions to provide evidence about whether a financial reporting problem exists and, if so, whether potential solutions can be identified and developed into more specific solutions;
- **Exposure Draft (ED) and Draft IFRIC Interpretation**—which contain specific proposals for new or amended IFRS requirements or interpretation of existing requirements. They assist in gathering information and opinions to help the Board refine the proposals to improve the quality of any new or amended IFRS requirements to be issued;
- **New IFRS Standard, IFRS Amendment or IFRIC Interpretation**—which contain new or amended IFRS requirements; and
- **Feedback Statement (FS)**—which summarises the findings of a project or broader consultation, such as a PIR or Agenda Consultation.

The Board typically allows at least 120 days for comments on proposals and at least one year between the issue and mandatory implementation of new IFRS requirements.